

CHAPTER X - ECONOMIC COMPETITIVENESS

This chapter has intentionally been renamed to reflect the emphasis of positioning Scott County in the global economy in the 21st century. *Economic competitiveness* in the context of comprehensive planning refers to examining and strengthening the ability of the County to compete effectively and prosper in the global economy. *Economic development* (the former name for this chapter) typically refers to the core activities that directly aim to retain, attract, and grow businesses that bring wealth into a community or region.

This chapter provides a comprehensive inventory of Scott County's economic and employment base and position in the region and state. It reveals trends in jobs and industries found in Scott County, describes the evolving economic base over the past 15 years and provides outlooks for the next two decades. This chapter looks at economic competitiveness of the County as a whole, but also specifically calls out strategies for the 11 townships. It concludes with goals and policies for business development in the county and strategic initiatives for implementation of the goals.

KEY INDUSTRIES AND CENTERS OF EMPLOYMENT

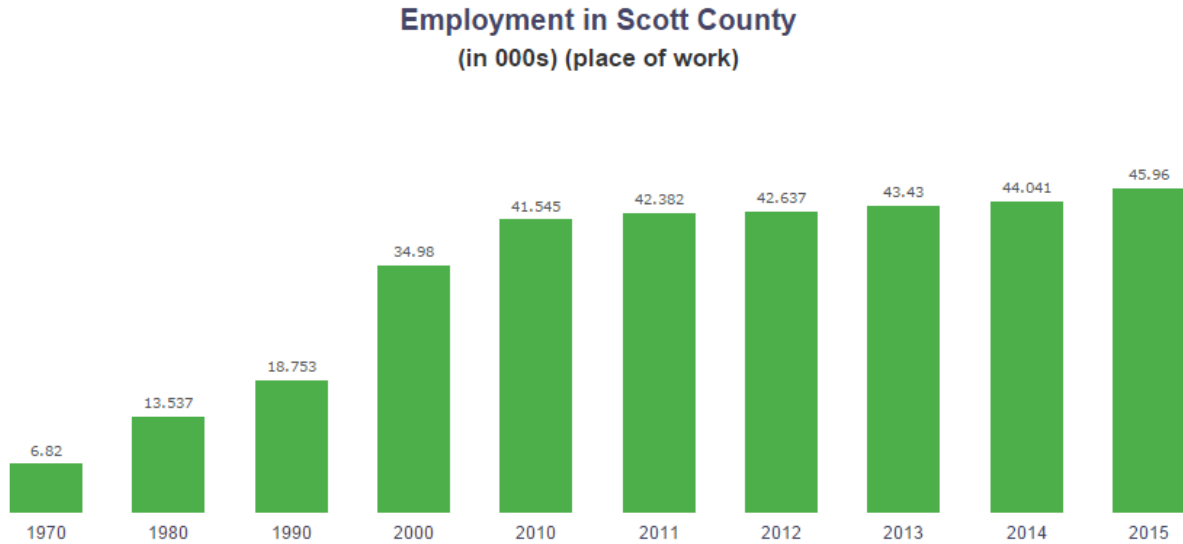
In 2015, there were roughly 45,273 jobs in Scott County - approximately 80 percent were located in the three northern cities of Shakopee (46%), Savage (16%) and Prior Lake (17%), with the remaining 20 percent located in the rural centers of Belle Plaine, Elko New Market, Jordan, New Prague and the 11 townships. In 2016, the number of jobs reported in Scott County increased to 48,020.



Most of the centers of employment in the County follow the major highway arterials of TH 169, TH 13, and Interstate 35. Large concentrations of jobs in the entertainment industry are located along the CSAH 83 corridor in Shakopee and Prior Lake. In recent years, jobs in warehousing and distribution – such as the 820,000 square foot Amazon Fulfillment Center employing 1,000 full time jobs - have landed along the THs 13/101 corridors in Savage and Shakopee.

Since 2010, Scott County's economy has performed well with the addition of 4,680 jobs (11.5 % growth) – outpacing the seven-county Minneapolis-St. Paul area which experienced a 9% growth during this time frame. Figure X-1 illustrates the growth in employment in Scott County since 1970. The most significant increases occurred between 1990 and 2000 – a period of rapid growth, development and municipal expansion in the county due to the opening of the Bloomington Ferry Bridge. By 2020, the County is forecasted to have 53,900 jobs; by 2040 67,440 jobs.

Figure X-1: Employment Growth in Scott County 1970 - 2015



Source: [Quarterly Census of Employment and Wages](#), Minnesota Department of Employment and Economic Development, 2nd quarter data; Metropolitan Council staff have estimated some data points.

Scott County offers diverse employment opportunities. As of 2016, the top six employment opportunities were in “Accommodations and food services”, “manufacturing”, “retail trade”, “construction”, “health care and social assistance”, and “education” industries. Figure X-2 illustrates the mix of employment options in the County in 2016.

Figure X-2: Types of Jobs in Scott County, 2016



Source: DEED, Quarterly Census of Employment and Wages (QCEW), 2016

Figure X-3 identifies the top 15 employers in each of the Scott County cities in 2016. While there are numerous other important employers, this table identifies the businesses with the highest employment in each community.

Figure X-3: Top 15 Major Employers in Each of Scott County's Cities, 2016

Employer	Products/Services	Estimated # Employees
Shakopee		
Goodwill Industries	Vocational Rehabilitation Services	2,240
Valleyfair Amusement Park**	Amusement Park & Arcades	1,670
Shakopee Public Schools	Elementary & Secondary Schools	1,303
Te Connectivity Networks Inc.	Telephone Apparatus Manufacture	1,300
Cyberpower Systems Inc.	Electrical Component Manufacture	1,160
Shutterfly	On-line photo sharing and data storage	1,145
Scott County	County Government	950
Minnesota River Landing-Heritage Pk	Recreation and Theme Parks	881
St. Francis Regional Medical Ctr.	General Medical & Surgical Hospitals	840
Entrust Data Card Corporation	Other Commercial and Service Businesses	800
Canterbury Park Concessions	Restaurants	657
Imagine Print Solutions	Commercial Printing	600
Vertis Communications	Advertising Agencies	300
Anchor Glass Corporation	Glass Manufacture	287
Certainteed	Asphalt Shingle and Coating Manufacturer	275
Subtotal Shakopee		13,369
Savage		
Fabcon Precast	Cement & Concrete Product Manufacturing	750
HyVee Grocery	Grocers	700
Independent School District #191	Elementary & Secondary Schools	451
Continental Machines Inc.	Other General Purpose Machinery Manufacturing	249
Target Stores	General Merchandise Stores	200
Silgan Container Corp.	Metal Can Manufacturing	180
Eflow Inc.	Mobile Food Services	150
City of Savage	City Government	131
Lifetime Fitness	Fitness Centers	130
Associated Partnership Ltd.	Automotive Body Paint	120
Continental Hydraulic Inc.	Fluid Power Pumps	106
B. F. Nelson Co.	Corrugated Box Mfg.	100
Soo-Line	Railroads	100
STS Operating Inc.	Industrial Machinery and Equipment	100
Road Machinery and Supplies	Construction and Mining	80
Subtotal Savage		3,547
Prior Lake		
SMSC Gaming Enterprises	Gaming Establishment	5,008
Prior Lake Ind. School Dist. #719	Elementary & Secondary Schools	772
YMCA	Youth Center	500
Little Six Casino	Gaming Establishment	400
Wild Golf Club	Golf Courses and Clubs	150
Indian Health Services	Public Health Services Administration	122
SMSC Gaming Enterprises	Other Family Services	75
Phillips and Temro Industries	Motor Vehicle Metal Stamping	65
Husson's Concessions	Restaurants	60
Insurance Paramedical Services	Insurance Agencies and Brokers	60
Miratech Prior Lake	Air and Gas Compressor Manufacture	59
Tentroy Inc.	Site Preparation Contractors	58
Jen Wocelka	Real Estate Agents	50
MN Credit Card Processing, Inc.	Greeting Cards	50
Norex Inc.	Computer Processing Services	50
Taylor Made Construction of MN	Finish and trim carpentry	50
Subtotal Prior Lake		7,529

Employer	Products/Services	Estimated # Employees
New Prague		
New Prague ISD 721	Elementary & Secondary Schools	626
Chart Industries	Liquified Natural Gas and Industrial Gas Systems	500
Mayo Clinic Health Systems	General Medical & Surgical Hospitals	203
Mala Strana Health Care Center	Nursing Care Facilities	150
Coborn's Supercenter	Grocery Stores	86
Scott Equipment	Machinery, Equipment, & Supplies Merchant Wholesalers	80
Mala Strana Assisted Living	Assisted Living Facilities	67
State Bank of New Prague	State Banks	65
Electromed Inc.	Electro	60
Great River Energy	Electrical Power Generation	58
New Prague Ford Chrysler Dodge	Automotive Dealers	55
City of New Prague	City Government	50
St. Wenceslaus School	Religious Organization	45
Shopko Hometown	General Merchandise	42
McDonald's	Restaurant	42
Subtotal New Prague		2,119
Belle Plaine		
Emma Krumbee's General Store	Apple Orchard, Store and Restaurant	200
Cambria	Manufacture of Quarts Countertops & Accessories	200
Lutheran Home of Belle Plaine	Nursing Care Facilities	143
Belle Plaine Public Schools – ISD #716	Elementary and Secondary Schools	108
Coborn's Superstore	Grocery Store	100
City of Belle Plaine	City Offices	76
Kingsway Retirement Living	Retirement Communities & Homes	50
Kingsway Ministries LLC	Religious Organization	50
McDonald's	Restaurant	43
Subway	Restaurant	43
Bell Pharmaceutical	Pharmaceutical Preparation	40
Dairy Queen	Restaurant	26
Stier Bus Co.	Transportation Services	25
Belle Plaine Cooperative	Farm Supplies	25
State Bank of Belle Plaine	Depository Credit Intermediation	25
Subtotal Belle Plaine		1,154
Jordan		
Jordan Public Schools District 717	Elementary & Secondary Schools	240
Minnesota River Valley Special Ed. Coop	Specialty Education	150
S.M. Hentges and Sons	Excavation and Concrete Contractor	150
Minger Construction	Contractors	80
City of Jordan	City Government	77
Oak Terrace	Senior Housing Facilities	75
Engel Diversified Industries	Metal Stamping	70
Jordan Transformer	Feeder Voltage Boosters	67
Wolf Motor Co.	Automobile Dealers	54
Rademacher's Foods	Grocery Stores	50
McDonald's	Restaurants	40
Benjamin Bus	Transportation Services	40
Elite Waste	Refuse Removal and Processing	33
Dynotech	Wholesale Distribution of Transmissions	26
Clancy's Bar and Pizza Restaurant	Restaurant	25
Siwek Lumber and Milling	Lumber Supplies	25
Subtotal Jordan		1,202

Employer	Products/Services	Estimated # Employees
Elko New Market		
New Prague Public Schools	Elementary & Secondary Schools	76
Friedges Drywall	Drywall and Insulation Contractor	50
Ryan Contracting Co.	Construction Contractor	40
Domino's Pizza	Pizza Restaurant	17
Elko Speedway	Construction Contractor	17
Subtotal Elko New Market		200

** The 2016 figure for Little Six Inc. was estimated by Maxfield Research Inc.

Source: July 2016 Commercial/Industrial Land Supply Analysis for Scott County, Minnesota, Claritas Inc., Maxfield Research Inc.

Figure X-4 illustrates the number of business establishments, in 2000 and in 2015, by industry. Overall, the number of Scott County's business establishments grew by 26% during that timeframe. Most of the 595 new establishments started over this time frame conducted business in the "health care and social assistance", "waste management and remediation services", "professional/scientific and technical services industries", "transportation and warehousing" and "accommodations and food services" categories. The only industries experiencing a decline in the number of establishments were "public administration", "agriculture, forestry, fishing and hunting" and "mining".

Figure X-4: Scott County Business Establishments, 2000 & 2015

	2000 Establishments		2015 Establishments		2000-2015 Change	
	No.	Pct.	No.	Pct.	No.	Pct.
Agriculture, Forestry, Fishing & Hunting	27	1.2%	23	0.8%	-4	-15%
Mining	9	0.4%	8	0.3%	-1	-11%
Utilities	3	0.1%	6	0.2%	3	100%
Construction	395	17.2%	435	15.1%	40	10%
Manufacturing	168	7.3%	172	6.0%	4	2%
Wholesale Trade	170	7.4%	178	6.2%	8	5%
Retail Trade	243	10.6%	299	10.3%	56	23%
Transportation & Warehousing	91	4.0%	112	3.9%	21	23%
Information	18	0.8%	35	1.2%	17	94%
Finance and Insurance	112	4.9%	124	4.3%	12	11%
Real Estate and Rental and Leasing	97	4.2%	117	4.0%	20	21%
Professional, Scientific, & Technical Services	219	9.5%	278	9.6%	59	27%
Management of Companies & Enterprises	9	0.4%	25	0.9%	16	178%
Waste Management & Remediation Services	139	6.1%	205	7.1%	66	47%
Educational Services	15	0.7%	56	1.9%	41	273%
Health Care and Social Assistance	120	5.2%	206	7.1%	86	72%
Arts, Entertainment & Recreation	41	1.8%	73	2.5%	32	78%
Accommodation & Food Services	145	6.3%	197	6.8%	52	36%
Other Services (except Public Administration)	202	8.8%	309	10.7%	107	53%
Public Administration	72	3.1%	32	1.1%	-40	-56%
Total	2,295	100.0%	2,890	100.0%	595	26%

Source: July 2016 Commercial/Industrial Land Supply Analysis for Scott County, Minnesota, Claritas Inc., Maxfield Research Inc. and MN Department of Employment and Economic Development QCEW Labor Market Data, Business Employment Dynamics, 2015.

Figure X-5 includes the average wages by industry group in Scott County, as reported for 2016. As previously noted, Scott County’s top five employment industries are “accommodations and food service”, “manufacturing”, “retail”, “construction” and “health care and social assistance”. The average annual wages for these industries range from \$28,600 per year to \$73,892 per year. As noted in the Housing chapter, it is important to proactively plan for housing to accommodate employees in these types of industries and wage levels.

Figure X-5: Scott County Industries & Average Annual Wages, 2016

Industry	Average Wages
Arts, Entertainment, and Recreation	\$25,844
Accommodation and Food Services	\$28,444
Retail Trade	\$28,600
Other Services (except Public Administration)	\$29,276
Transportation and Warehousing	\$35,464
Administrative and Support and Waste Management and Remediation Services	\$35,776
Agriculture, Forestry, Fishing and Hunting	\$36,140
Real Estate and Rental and Leasing	\$43,368
Educational Services	\$45,344
Health Care and Social Assistance	\$46,280
Information	\$51,324
Public Administration	\$52,156
Finance and Insurance	\$59,176
Wholesale Trade	\$63,648
Professional, Scientific, and Technical Services	\$65,884
Construction	\$69,316
Manufacturing	\$73,892
Mining	\$74,412
Management of Companies and Enterprises	\$83,564
Utilities	\$91,000
Total, All Industries	\$47,112

Source: DEED, Quarterly Census of Employment and Wages (QCEW), 2016.
(Weekly wages converted to annual wages based on 52 weeks per year)

When compared to the Twin Cities region, Scott County’s average annual wages are lower (see Figure X-6). According to the Metropolitan Council, even though the average annual wage in Scott County increased by \$14,346 between 2000 and 2015, it is still nearly 24% lower than the Twin Cities region. This combination of comparatively lower wages for local jobs, coupled with higher household incomes of county residents, is often cited as evidence on why the outflow of the local labor force is so high compared to other metro counties.

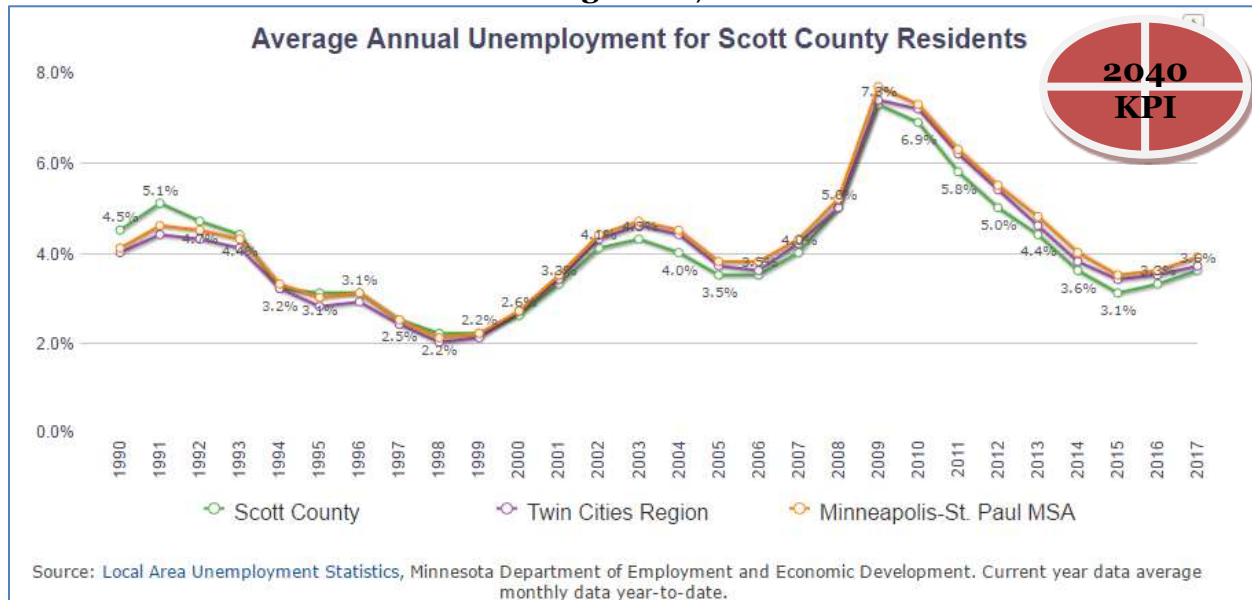
Figure X-6: Average Annual Wages

Area	Year	Average Annual Wages
Scott County	2000	\$31,706
Scott County	2015	\$46,052
Twin Cities Region (7-county)	2000	\$39,062
Twin Cities Region (7-county)	2015	\$57,120

Source: Metropolitan Council, Community Profile Scott Co. 2015

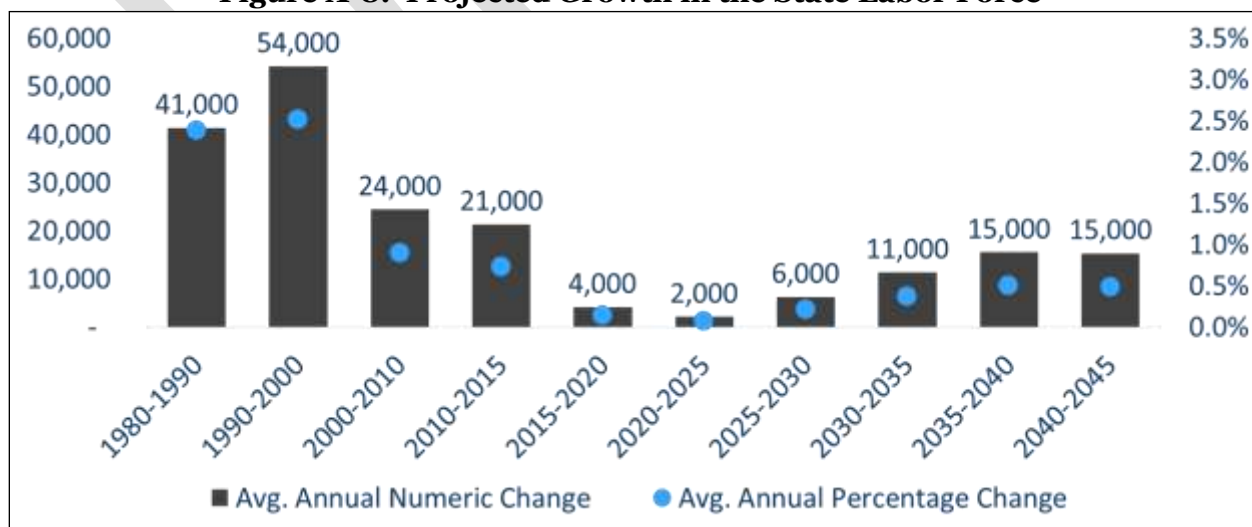
Scott County's unemployment rate historically mirrors the unemployment rate at the Twin Cities regional level (see Figure X-7) – but is typically lower than the statewide unemployment rate. As of 2017, unemployment rates were at 3.5%. The unemployment rate for the County's younger population has been running three to four times higher (13.4% for workers age 16-19; 10.7% for workers age 20-24).

Figure X-7



Within the State of Minnesota, the growth of people in the labor force has slowed. This has contributed to the low unemployment rates. The Minnesota State Demographer's Office has projected a significant decline in growth rates in the labor force, primarily between 2015 and 2030. During this timeframe, the number of individuals 65+ years of age is expected to surpass the number of youth aged 18 and under (see Figure X-8).

Figure X-8: Projected Growth in the State Labor Force



Source: Minnesota State Demographic Center, Source: Tabulated from the Integrated Public Use Microdata Series

As the population continues to age, Scott County is projected to see decreases in the labor force for those 25 to 54 years of age; however, there are increases in the percent of resident workers ages 20-24 years, 55 to 64 years and 65+ years (see Figure X-9). As growth in the labor force slows, it will be important to retain the local workforce to fill jobs within Scott County.

Figure X-9: Scott County's Projected Labor Force

Table 7. Labor Force Projections, 2015-2025				
Scott Co.	2015	2025	2015-2025 Change	
	Labor Force Projection	Labor Force Projection	Numeric	Percent
16 to 19 years	4,681	4,789	109	2.3%
20 to 24 years	5,704	8,338	2,635	46.2%
25 to 44 years	37,311	35,930	-1,380	-3.7%
45 to 54 years	22,774	21,277	-1,497	-6.6%
55 to 64 years	12,126	17,910	5,784	47.7%
65 to 74 years	2,629	4,810	2,181	83.0%
75 years & over	422	788	366	86.7%
Total Labor Force	85,647	93,843	8,197	9.6%

Source: DEED, Calculated from Minnesota State Demographic Center population projections and 2011-2015 American Community Survey 5-Year Estimates

REDEVELOPMENT OPPORTUNITIES

Land that is underutilized and potentially contaminated contributes to blight, loss of property values and may adversely affect public health. There are vacant or underutilized commercial and industrial sites within Scott County, both in the cities and townships. Each city identifies potential redevelopment opportunities within their respective 2040 comprehensive plans. The County supports the redevelopment of under-utilized or vacant sites within city limits to relieve pressure on the development of “greenfields” beyond the city limits, thereby increasing connectivity for active transportation, reducing vehicle miles traveled, and preserving agricultural land and open space for local food production, ecosystem management or flood protection.

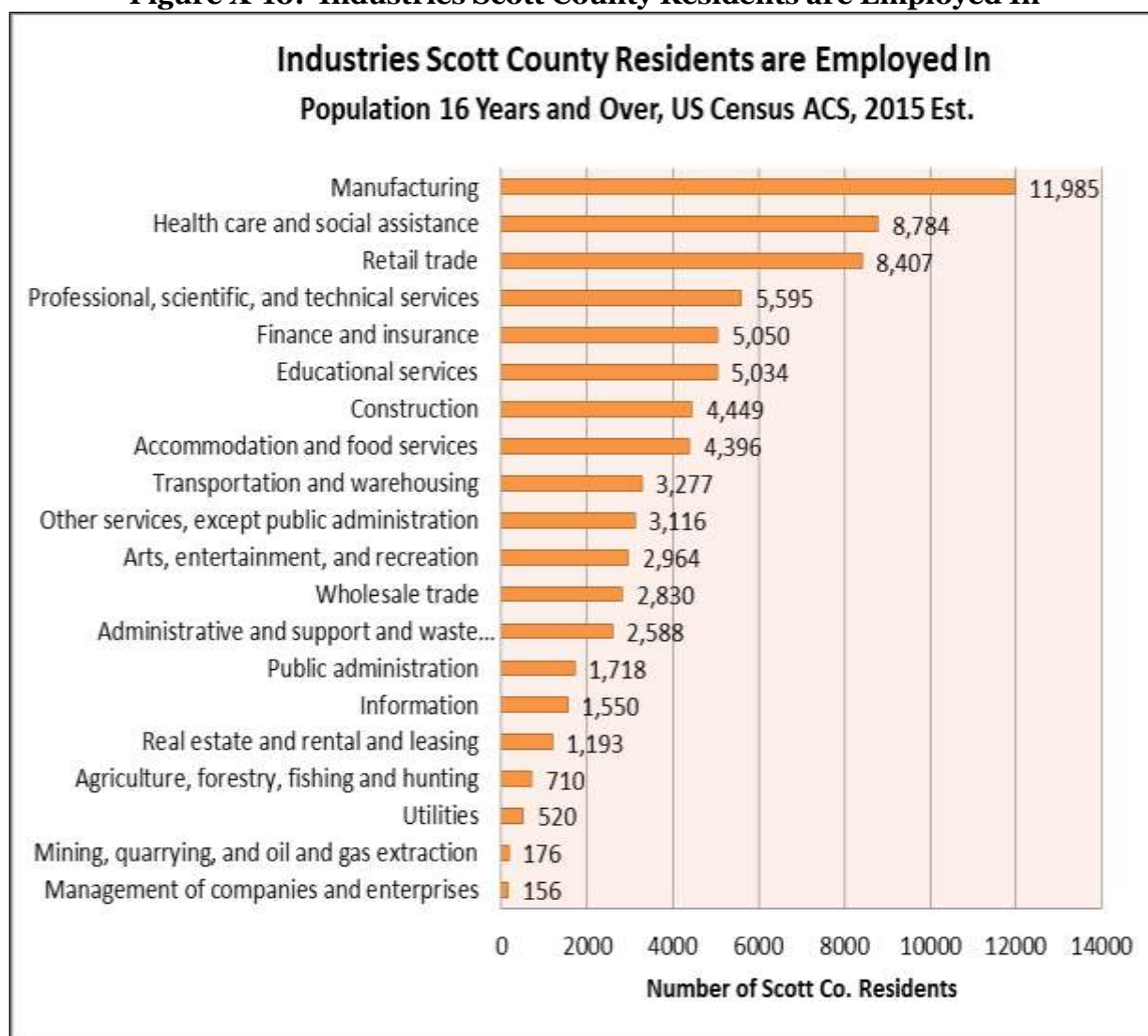
As for underutilized and potentially contaminated property in the townships, this Plan encourages redevelopment for similar reasons: typically the redevelopment utilizes existing road and stormwater management infrastructure, and can relieve pressure for the conversion of agricultural land for non-agricultural uses.

Redevelopment opportunities are generally in areas guided for “Commercial/Industrial” or “Rural Commercial Reserve” on the 2040 Planned Land Use map in Chapter V. Goal #V-13 in Chapter V specifically promotes the redevelopment of substandard, obsolete, or blighted properties including the removal of unsafe or hazardous structures inconsistent with the proposed land use changes.

WORKFORCE AND EDUCATION

As of 2015, there were 74,498 residents, 16 years and over, in the workforce. The top five industries Scott County residents work in include “manufacturing”, “health care and social assistance”, “retail trade”, “professional, scientific and technical services” and “finance and insurance”. The chart below identifies the number of Scott County residents working in each industry.

Figure X-10: Industries Scott County Residents are Employed In



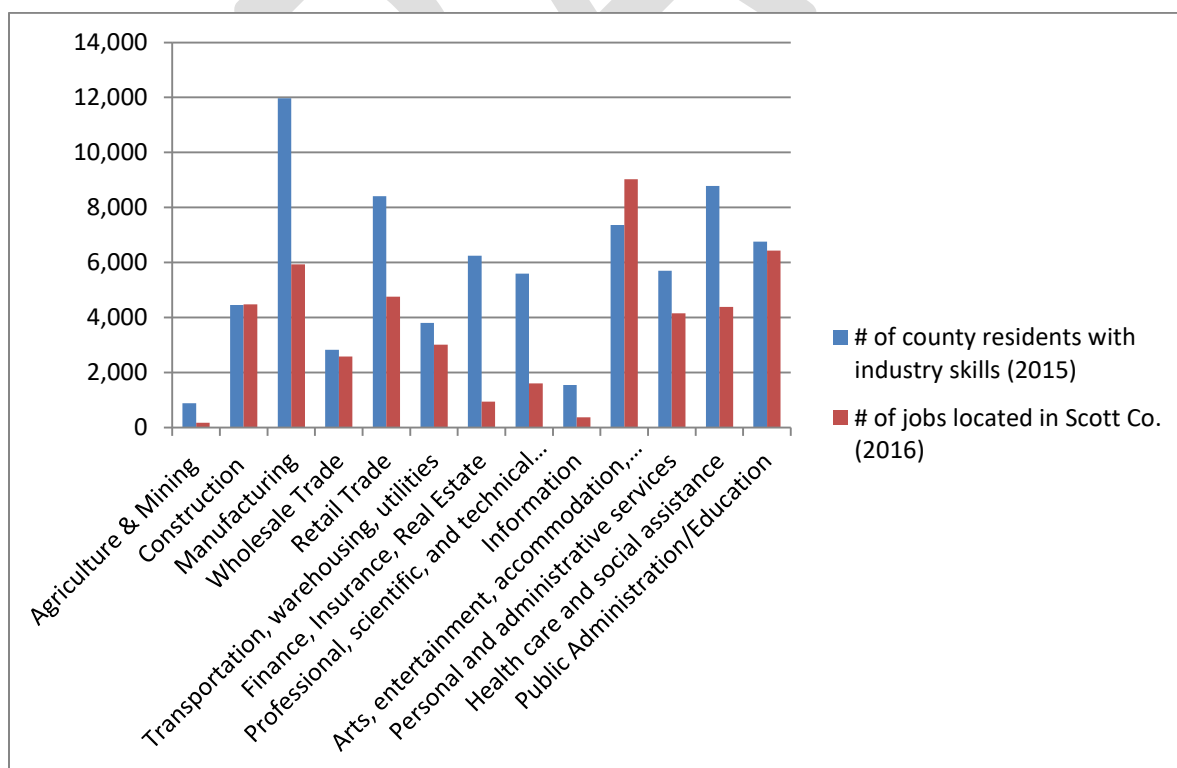
Source: U.S. Census, American Community Survey (ACS) 2015 est.

Presumably, many residents employed in these different industries commute outside the county for better job opportunities and higher wages in these fields. Over the years, the County has been tracking and comparing the number of people who live in Scott County (with certain industry skills) to the number of jobs in those industries currently located in the county (see Figure X-11 - table and graph). This analysis points to a few industries that the County – in partnership with cities, townships and First Stop Shop - should attract or grow to better match the local labor force's skills and talent pool. This includes jobs in manufacturing, retail, finance,

insurance, professional, scientific and technical services, health care and social assistance. Presumably, if more of these types of jobs located in Scott County, it would entice more people who live here to start working here.

Figure X-11: Gap between Local Labor Force Skills and Local Jobs

Occupation	# of county residents with industry skills (2015)	# of jobs located in Scott Co. (2016)	# of new jobs needed in Scott Co. to "retain" local skills
Agriculture & Mining	886	175	711
Construction	4,449	4,477	-28
Manufacturing	11,968	5,935	6,033
Wholesale Trade	2,830	2,578	252
Retail Trade	8,407	4,753	3,654
Transportation, warehousing, utilities	3,797	3,014	783
Finance, Insurance, Real Estate	6,243	941	5,302
Professional, scientific, and technical services	5,595	1,608	3,987
Information	1,550	372	1,178
Arts, entertainment, accommodation, food service	7,360	9,021	-1,661
Personal and administrative services	5,704	4,156	1,548
Health care and social assistance	8,784	4,379	4,405
Public Administration/Education	6,752	6,435	317

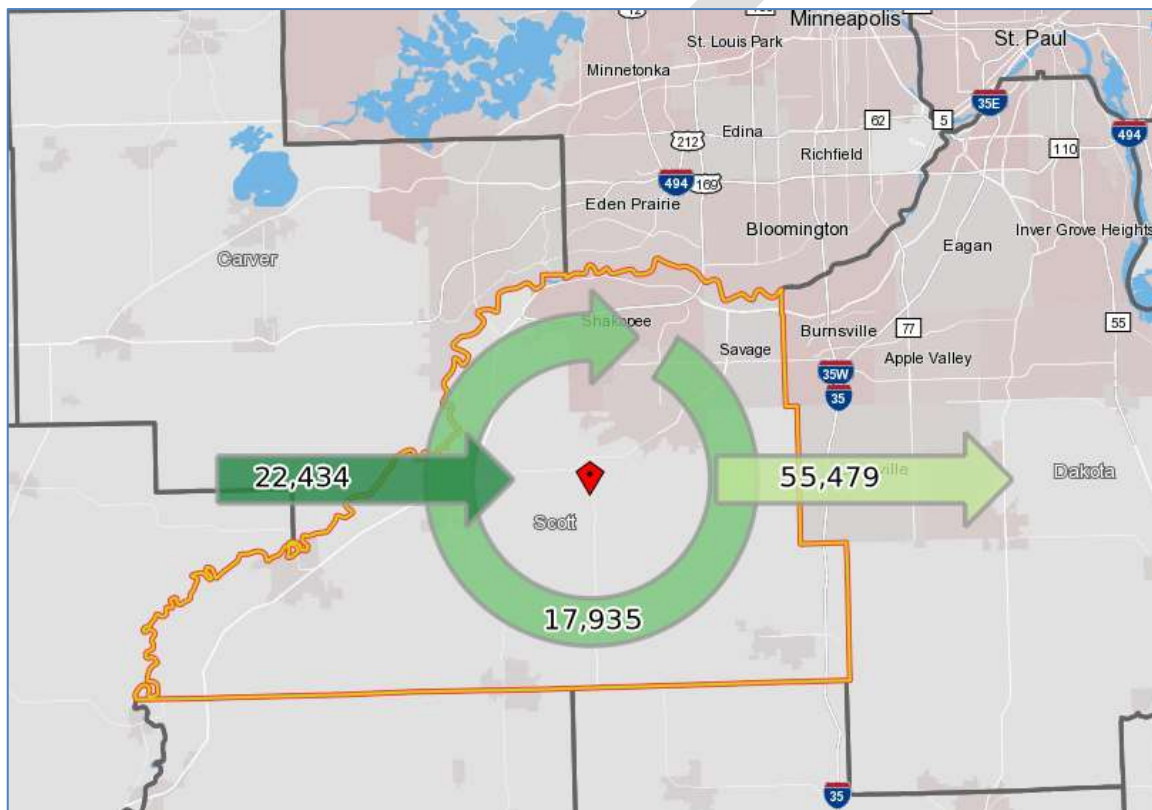


Source: DEED, Quarterly Census of Employment and Wages, 2016; American Community Survey, 2015 estimate

A. Commuting Patterns

Scott County is an exporter of workers, with 55,479 workers leaving the county to go to work, while 22,434 employees commute into the county for employment, resulting in a daily outflow of 33,000 workers (see Figure X-12). Another way to look at the outflow of the county's labor force is to track the number of residents who live and work in the county; and the number who live in the county but commute outside every day for work. In 2010, about 35% of the local labor force lived and worked in the county; about 65% commuted beyond the county. It has been the County's goal since the adoption of the *2030 Comprehensive Plan* to have 50% of the County's labor force living and working in the county by 2030.

Figure X-12: Commuting Patterns Scott County, 2014



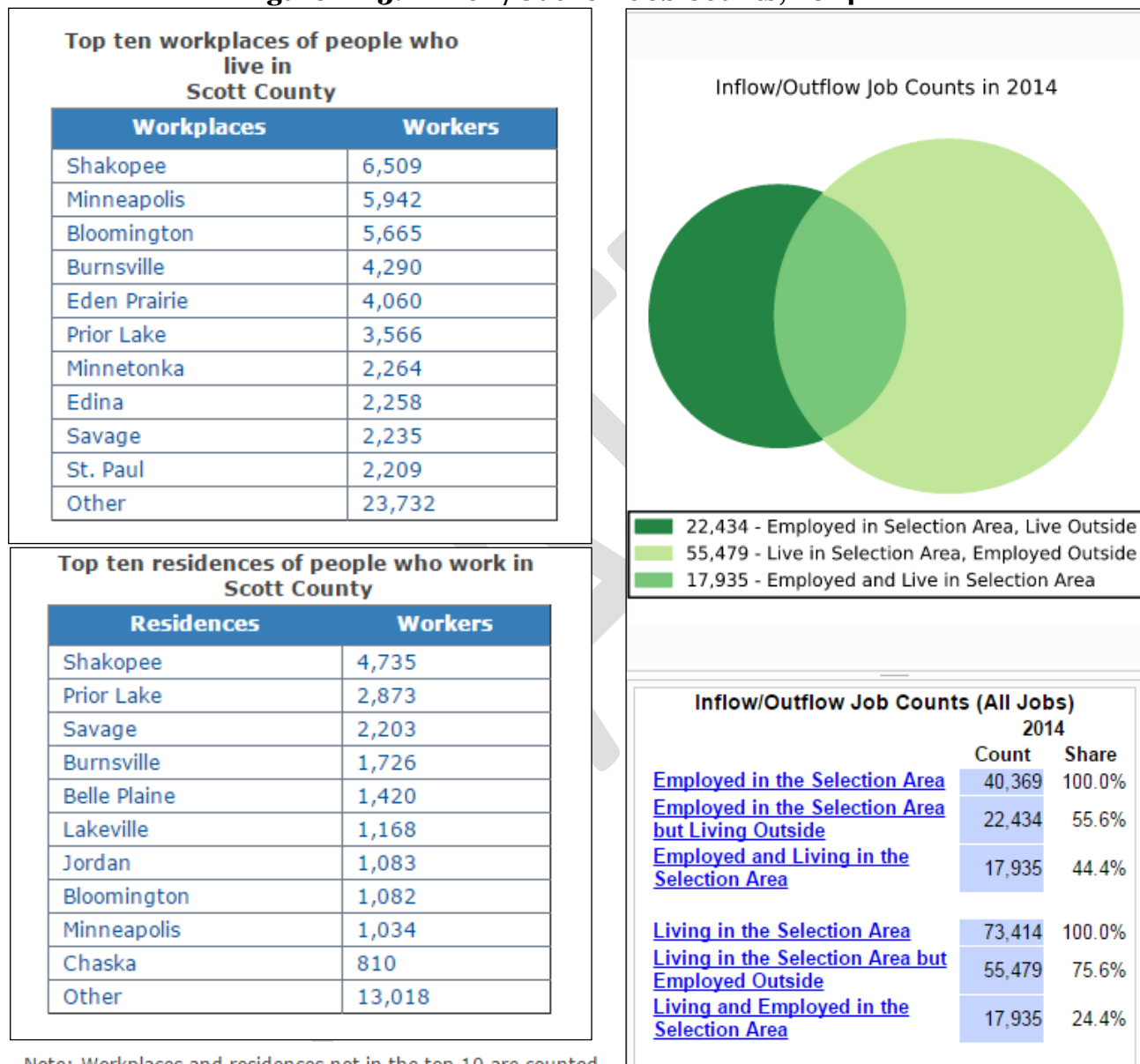
Source: <https://onthemap.ces.census.gov/>

Looking ahead, by the year 2025, Scott County's labor force is projected to total 95,843 people. In order to ensure there are opportunities for at least 50% of the labor force to work locally, Scott County would need to have at least 47,922 jobs. Because the number of current jobs have already exceeded this level, there appears to be a disconnect in either the type of jobs offered in Scott County (not matching the education or skill sets of residents – as showing in Figure X-11), higher wages which entice residents to commute outside of the county, a potential lack of affordable housing for employees who are employed in the county and commuting in, or other factors affecting the outflow of workers.

Figure X-13 shows other useful data points to track the County's "50% by 2030" goal. It shows the top ten workplaces for people who live in Scott County as well as the top ten places of

residency for people who work in Scott County. The top five cities residents are commuting to outside the county line are Minneapolis, Bloomington, Burnsville, Eden Prairie, Minnetonka and Edina. The inflow of workers outside of Scott County are primarily coming from Burnsville, Lakeville, Bloomington, Minneapolis and Chaska.

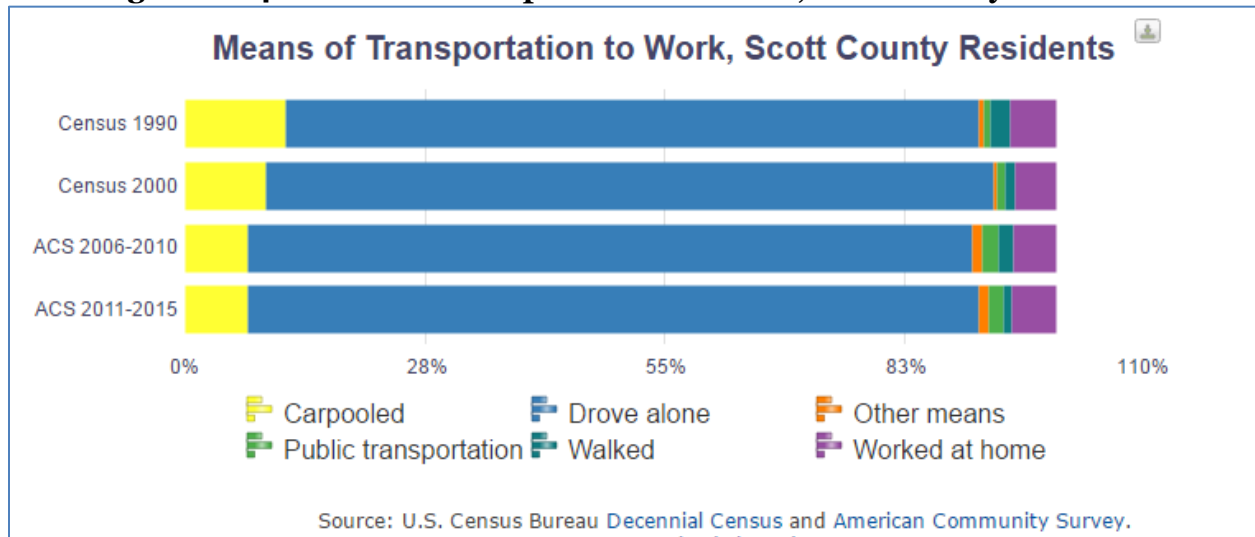
Figure X-13: Inflow/Outflow Job Counts, 2014



Note: Workplaces and residences not in the top 10 are counted
 Source: U.S. Census Bureau Local Employment-Household Data

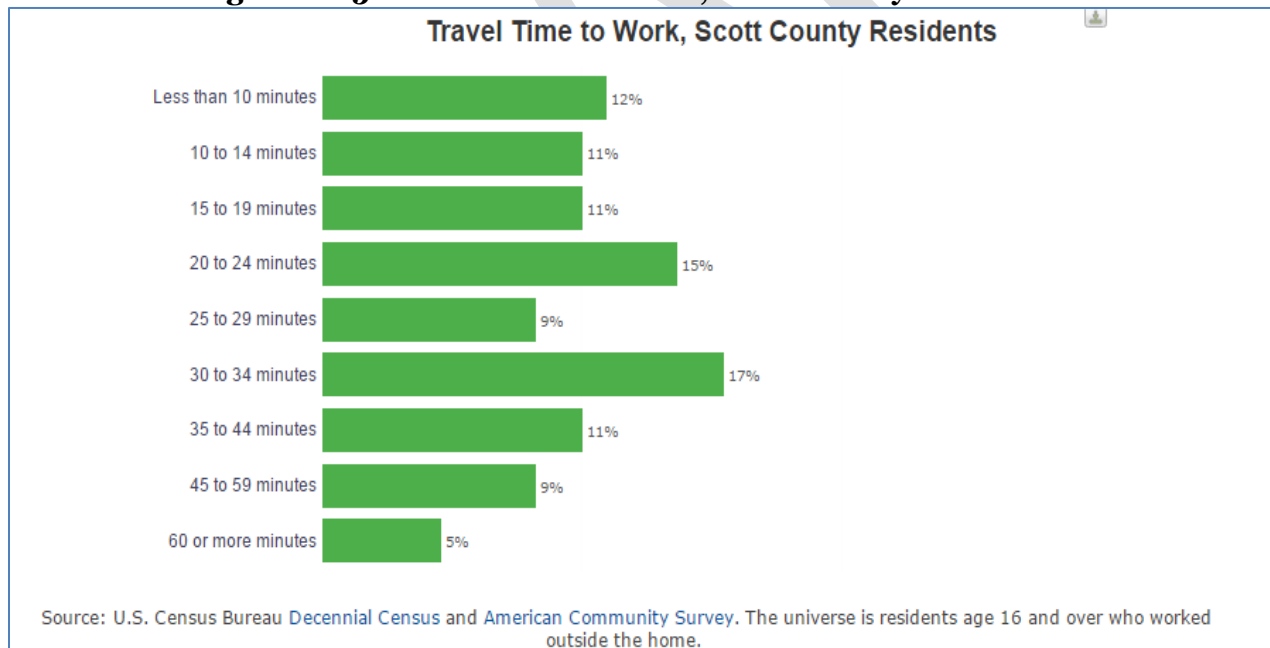
As depicted in Figure X-14, a vast majority of workers (83.9%) drove alone as their means of transportation to work in 2015. Carpooling was the second most common mode of transportation (7.3% down from 9.4% in 2000). Public transportation, walking, and other means (i.e. biking, motorcycles) resulted in a minimal portion of total trips, combining for only 3.8% of the total. The percentage of individuals who worked at home has remained relatively steady over the past 15 years. (5.0% in 2015, a slight increase from 4.6% in 2000).

Figure X-14: Means of Transportation to Work, Scott County Residents



The average time it takes a county resident to travel to work in 2015 was 26.4 minutes, longer than reported in any other metro county and a two minute increase from 2000. Approximately 1/3 of residents report traveling less than 20 minutes to work, with 42% traveling over 30 minutes to work.

Figure X-15: Travel Time to Work, Scott County Residents



In an effort to expand public transportation options, Scott County's opened its first transit park-and-ride station in 2007. This provided a convenient option for commuters working in downtown Minneapolis. The Southbridge Crossing Transit Station, located at 1401 Crossings Boulevard, provides surface parking for approximately 500 vehicles, heated bus shelters, bicycle lockers and bicycle racks. Express bus service to and from downtown Minneapolis is provided by the Minnesota Valley Transit Authority.

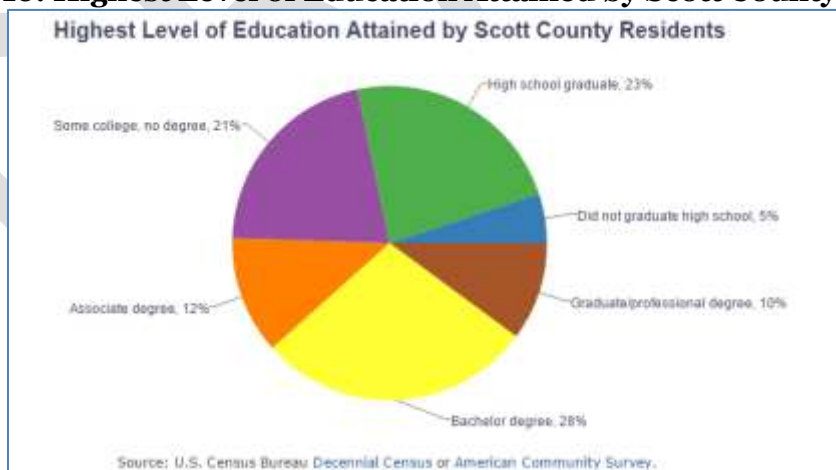


Another public transportation and commuting option includes the Marshall Road Transit Station, located at the intersection of TH 169 and CR 17. There are 400 parking spaces; indoor climate controlled waiting area, bicycle racks, connection to Land to Air Express. Several buses and SmartLink transit provide service. Eagle Creek Park & Ride is located at 6600 Eagle Creek Boulevard in Shakopee. Along with the bus services there are 563 parking spaces, four bicycle lockers and bicycle racks. The Savage Park and Ride is located at 14121 Huntington Avenue, one block north of CR 42. Three buses provide service. There is also a shelter and 195 parking spaces. The Shakopee and Savage public transportation sites are coordinated through the Minnesota Valley Transit Authority.

B. Educational Attainment

According to the 2011-2015 American Community Survey 5-Year estimates, 94.7% of Scott County residents 25 years and older have a high school graduate degree or higher. This compares to 92.4% statewide.

Figure X-16: Highest Level of Education Attained by Scott County Residents



BUSINESS DEVELOPMENT

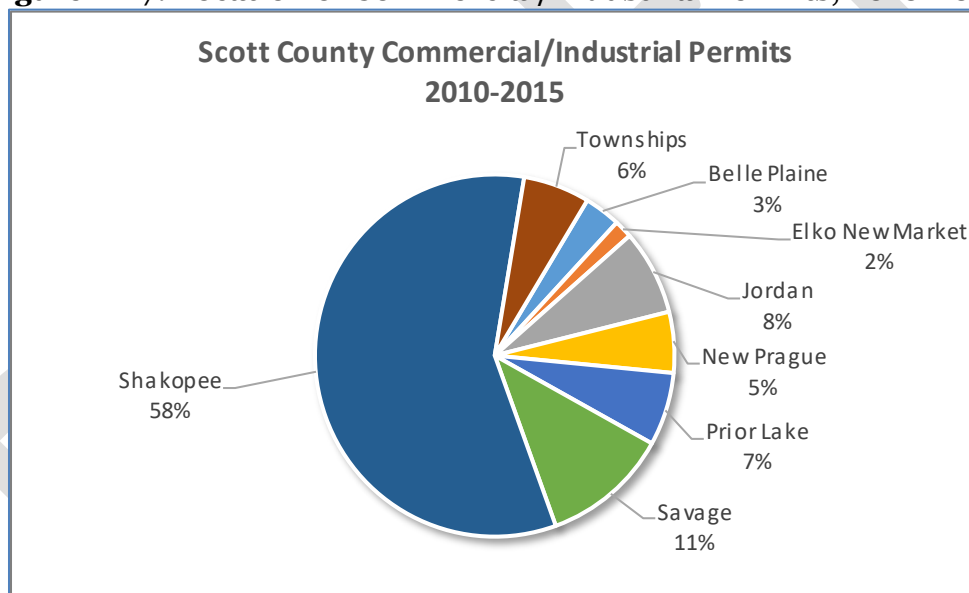
Most of the intensive, large-scale commercial and industrial development in Scott County has occurred in the cities. Some cities have experienced more commercial and industrial development than others, depending on land availability, transportation access, and local priorities and programs. As a general planning practice, the County has discouraged intensive,

large-scale commercial and industrial development in the rural areas and instead promotes this type of development in the cities where a range of urban services (water, sewer, police, and fire) is available or planned to be available.

The County and townships have guided low-intensive commercial and industrial uses into certain portions of the unincorporated areas—predominately along major transportation corridors (TH 169, I-35) and at major highway intersections (State Highways 13 and 282). The County has also promoted farm-supported businesses in the agricultural areas and limited home-based business opportunities in the rural residential areas.

One way to track changes in economic activity is by looking at the number of commercial and industrial building permits issued for new construction over time. According to the 2017 Maxfield study, 148 new commercial and industrial permits were issued in Scott County, with an estimated value of \$560 million, between 2010 and 2015. As depicted on Figure X-17, over one-half of the new commercial and industrial development has been concentrated in Shakopee. It is noted that the percentage of commercial and industrial permits pulled for development in the 11 townships (6%) outnumbered the permits pulled in the rural centers of Belle Plaine (3%), Elko New Market (2%), Jordan (8%), New Prague (5%), Prior Lake (7%), Savage (11%) over this time period.

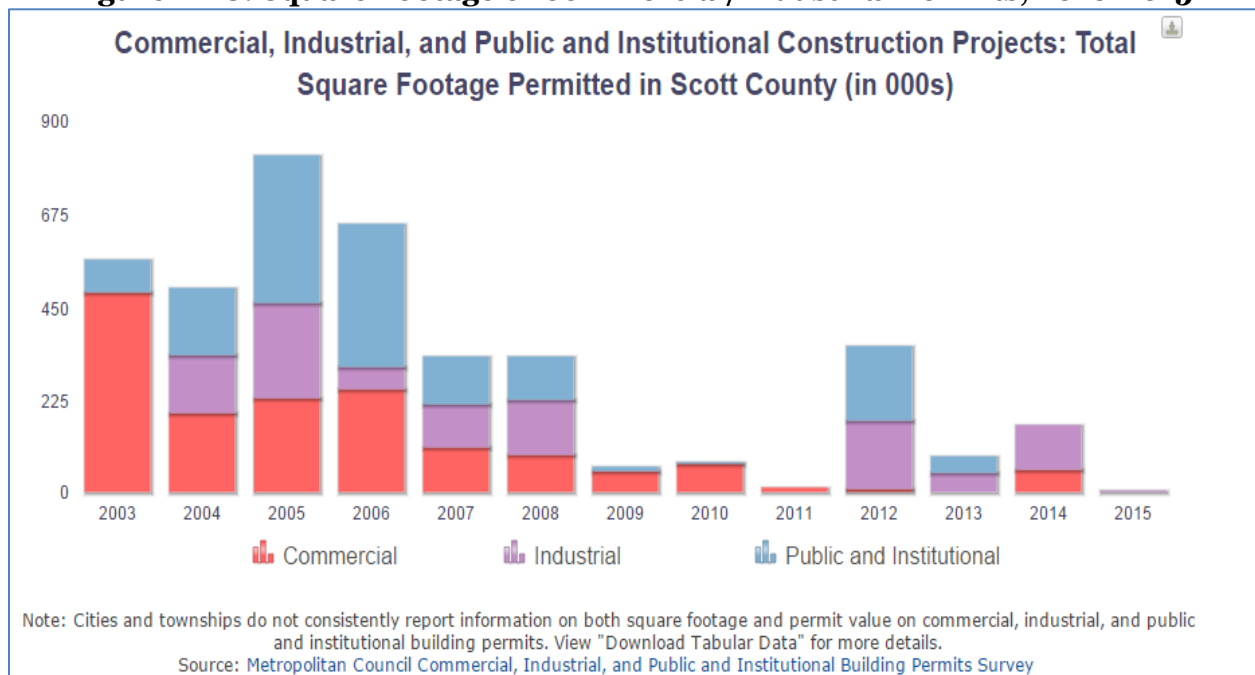
Figure X-17: Location of Commercial/Industrial Permits, 2010-2015



Source: Maxfield Research & Consulting, LLC, 2017

Scott County experienced significant increases in commercial, industrial and public/institutional projects in the early 2000's, with construction peaking in 2005. The figure below illustrates the breakdown of construction, by size, for each category.

Figure X-18: Square Footage of Commercial/Industrial Permits, 2010-2015



Of the commercial-industrial building permits issued between 2010 and 2015, industrial construction comprised 81% of the market value of the new construction, with commercial construction at 19% of the value. The value of new public/institutional construction exceeded commercial development between 2010 and 2015.

A. Future Business Development

According to the 2017 Maxfield study, the industries with the highest percent growth will be health care, software and real estate related. The industries with the highest increase in actual employment will be computer systems design and related services, offices of physicians, insurance carriers, management and technical consulting services, and activities related to real estate. The highest paying growth industries include other financial investment activities, security and commodity investment activity, farm product merchant wholesalers, insurance carriers, software publishers and computer system design and related services. Figure X-19 includes the high growth industries with their projected 2024 employment, along with the percent of anticipated growth and median annual salaries.

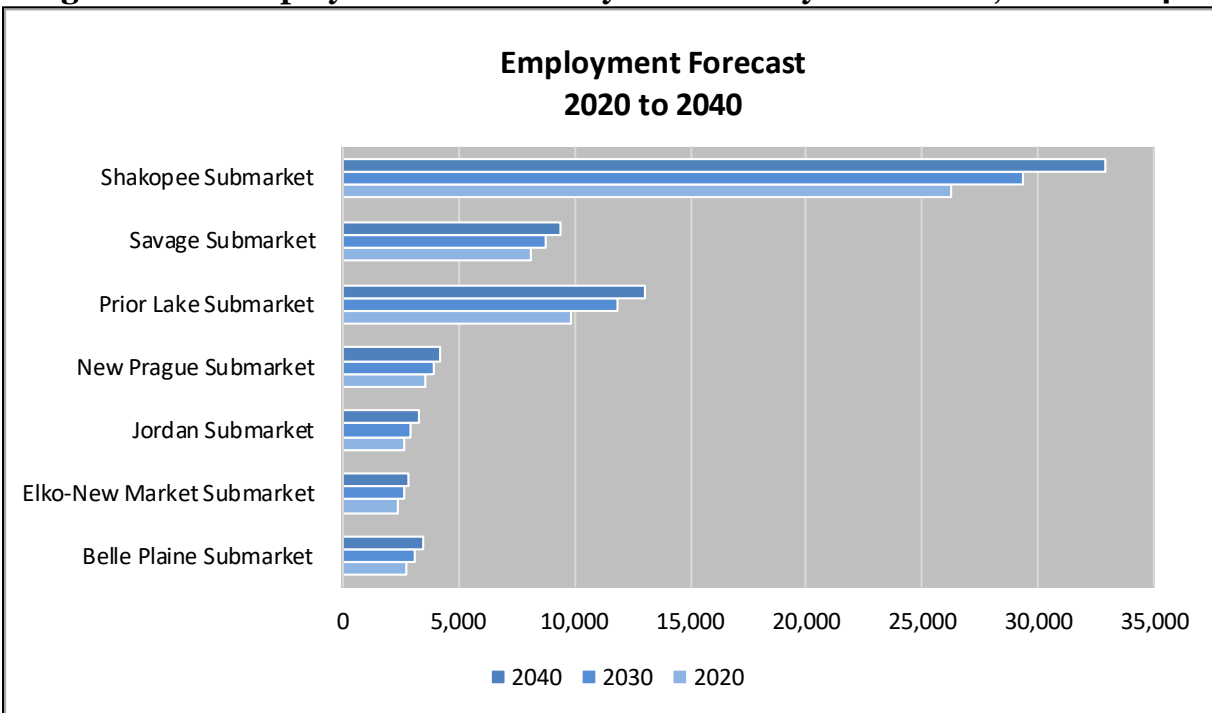
Figure X-19: High Growth Industries Twin Cities Metro Area, 2014-2024

NAICS Code	Industry	2014 Employment	Pct. Growth by 2024	Median Annual Salary 2014
6219	Other Ambulatory Health Care Services	4,738	42.1%	\$ 58,136
6214	Outpatient Care Centers	6,989	30.0%	\$ 74,828
5112	Software Publishers	5,463	22.9%	\$ 103,792
5313	Activities Related to Real Estate	10,511	22.4%	\$ 48,100
4541	Electronic Shopping & Mail-Order Houses	6,351	21.8%	\$ 75,244
5415	Computer Systems Design & Rel. Services	30,730	18.4%	\$ 102,128
5416	Management & Technical Consulting Svc	14,474	17.8%	\$ 89,960
6211	Offices of Physicians	28,685	17.5%	\$ 94,380
4931	Warehousing & Storage	4,643	17.0%	\$ 56,056
4245	Farm Product Merchant Wholesalers	3,661	16.7%	\$ 129,740
4239	Misc. Durable Goods Merchant Wholesalers	4,108	14.6%	\$ 62,296
5239	Other Financial Investment Activities	6,028	13.2%	\$ 173,264
2361	Residential Building Construction	5,460	12.7%	\$ 53,768
6212	Offices of Dentists	9,624	11.3%	\$ 56,628
5419	Other Professional & Technical Services	11,342	10.9%	\$ 57,460
4251	Electronic Markets & Agents/Brokers	20,577	10.2%	\$ 96,512
5242	Insurance Agencies, Brokerages & Support	15,113	9.9%	\$ 79,560
2382	Building Equipment Contractors	18,026	9.8%	\$ 70,200
3353	Electrical Equipment Manufacturing	3,691	9.5%	\$ 74,984
2381	Building Foundation/Exterior Contractors	7,218	9.0%	\$ 56,940
4411	Automobile Dealers	11,396	8.8%	\$ 53,664
5182	Data Processing & Related Services	6,193	8.0%	\$ 82,576
2362	Nonresidential Building Construction	8,729	7.8%	\$ 83,096
5221	Depository Credit Intermediation	26,933	7.0%	\$ 80,600
5241	Insurance Carriers	37,995	6.6%	\$ 114,348
6111	Elementary & Secondary School	15,472	6.1%	\$ 48,204
2383	Building Finishing Contractors	9,033	5.8%	\$ 51,428
5413	Architectural & Engineering Services	15,873	5.2%	\$ 80,756
5231	Security & Commodity Investment Activity	10,439	4.5%	\$ 144,404

Source: MNDEED; Scott County Commercial and Industrial Study, 2017 Maxfield Research & Consulting, LLC.

According to forecasts from the Metropolitan Council, employment within Scott County is projected to increase from 41,545 jobs (2010) to 60,990 jobs in 2030 and 67,440 jobs by 2040. Employment is projected to continue to increase in all of Scott County's submarkets (cities with adjacent townships). Figure X-20 shows projections in employment by submarket for 2020, 2030 and 2040. Shakopee and Prior Lake are projected to have the greatest increases in employment.

Figure X-20: Employment Forecasts by Scott County Submarket, 2020 - 2040



Source: Scott County Commercial-Industrial Needs Update, 2017. Maxfield Research & Consulting, LLC.

B. Retail Market Analysis

The 2017 Maxfield study analyzed the County's retail market supply and demand. Absorption rates exceeded vacancy rates in the retail market between 2003 and 2006; however, in the past decade vacancy rates have increased to approximately 8%. A vast majority of the available retail space is in the cities of Shakopee, Savage and Prior Lake. The cities of Belle Plaine, Elko New Market, Jordan and New Prague also have commercial retail space available, but it tends to be smaller in size and within the downtowns versus large commercial centers.

As stated in the 2017 study: "Retail continues to be in flux as brick and mortar outlets are seeking a balance between online sales and traditional retail sales; convenience and food/beverage outlets are less affected by this trend." The First Stop Shop assists communities in marketing their available commercial retail space to reduce vacancy rates and supports city and township efforts to provide goods and services to their residents and employees.

C. Office Space

According to the 2017 Maxfield study, increases in office space have occurred primarily in the professional, technical and health care sectors. The study indicates most of the office space is newer, Class B space, with rent rates ranging from \$8 per square foot to \$22 per square foot.

D. Industrial Market

The 2017 study reported that bulk warehouse accounted for 71% of the multi-tenant industrial supply in Scott County. This compares to only about 23% in the southwest Twin Cities submarket. Most of the available industrial space was located in Shakopee (773,000 sf), followed by Savage (138,000 sf) and Jordan (32,000 sf). The type of industrial product may be impacting the wages for manufacturing in the county versus other areas in the Twin Cities southwest submarket. There will be continued demand for commercial and industrial space, with over 10 million additional square feet needed in Scott County between 2015 and 2040. As

shown in Figures X-21, the demand for office and retail space is anticipated to increase, but at a slower pace than industrial demand after 2020.

Figure X-21a: Commercial-Industrial Demand, 2015 - 2040

	Square Footage and % Demand						
Time frame	Industrial Demand		Office Demand		Retail Demand		Total Sq. Ft.
2015-2020	1,357,000	60%	254,745	11%	63,0075	29%	2,241,820
2020-2030	2,714,000	71%	227,682	6%	89,6284	23%	3,837,966
2030-2040	2,714,000	69%	288,536	7%	92,8366	24%	3,930,902
Total	6,785,000	68%	770,963	8%	2,454,725	25%	10,010,688

Source: Data derived from the Scott County Commercial-Industrial Needs Update, 2017, Maxfield Research & Consulting, LLC.

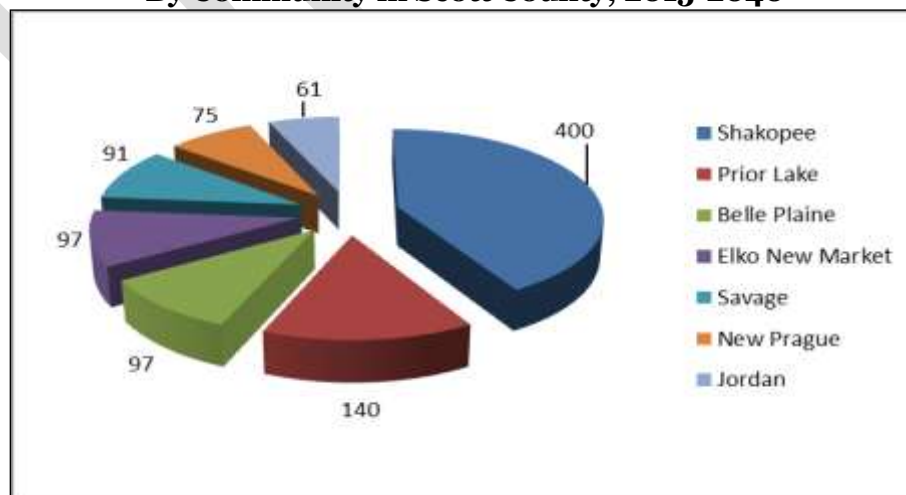
In order to support the anticipated growth, Maxfield Research has identified a need for 963 acres of commercial and industrial land by 2040. Figure X-21 provides a breakdown of the number of acres needed countywide, by category. Figure X-22 breaks down land needs by community. Each city will use this data when updating their respective 2040 planned land use maps. Some of this acreage will likely fall outside the current city limits, into township areas that may or may not be under an orderly annexation agreement boundary.

Figure X-21b: Commercial-Industrial Land Demands

	Acreage and % Demand						
Time frame	Industrial Acres Demand		Office Acres Demand		Retail Acres Demand		Total Acreage
2015-2020	125	58%	19	9%	72	33%	216
2020-2030	249	67%	17	5%	103	28%	369
2030-2040	249	66%	22	6%	107	28%	378
Total	623	65%	58	6%	282	29%	963

Source: Data derived from the Scott County Commercial-Industrial Needs Update, 2017, Maxfield Research & Consulting, LLC.

Figure X-22: Commercial-Industrial Acres of Land Needed By Community in Scott County, 2015-2040



Source: Maxfield Research & Consulting, LLC, 2017.

In 2010, County and city staff inventoried all properties guided and zoned for commercial, office or industrial development and classified it according to staging criteria loosely based on the State’s “shovel ready” program. The criteria for Class I, II, and III parcels are shown below.

Development Readiness Criteria

Class III (1+ year time horizon)
<ul style="list-style-type: none"> Property is guided for commercial or industrial use
Class II (3 -12 month time horizon)
<ul style="list-style-type: none"> Property is guided and/or zoned for commercial or industrial use Property is within the jurisdiction’s 2030 growth boundary or MUSA boundary Public infrastructure (street, sewer, water, etc.) and private utilities (electric, gas) is readily accessible to the property Public infrastructure systems (street, sewer, water, etc.) currently have sufficient capacity to serve the property upon development
Class I (90-day time horizon)
<ul style="list-style-type: none"> Property is guided and/or zoned for commercial or industrial use Property is within the jurisdiction’s 2030 growth boundary or MUSA boundary Public infrastructure (street, sewer, water, etc.) and private utilities (electric, gas) is readily accessible to the property Public infrastructure systems (street, sewer, water, etc.) currently have sufficient capacity to serve the property upon development Property is platted Interior improvements (street, sewer, water, storm water, etc.) necessary for the development have been completed (i.e. “pad ready”) Ready for building permit application and site plan approval – including traffic studies and access permitting (if required)

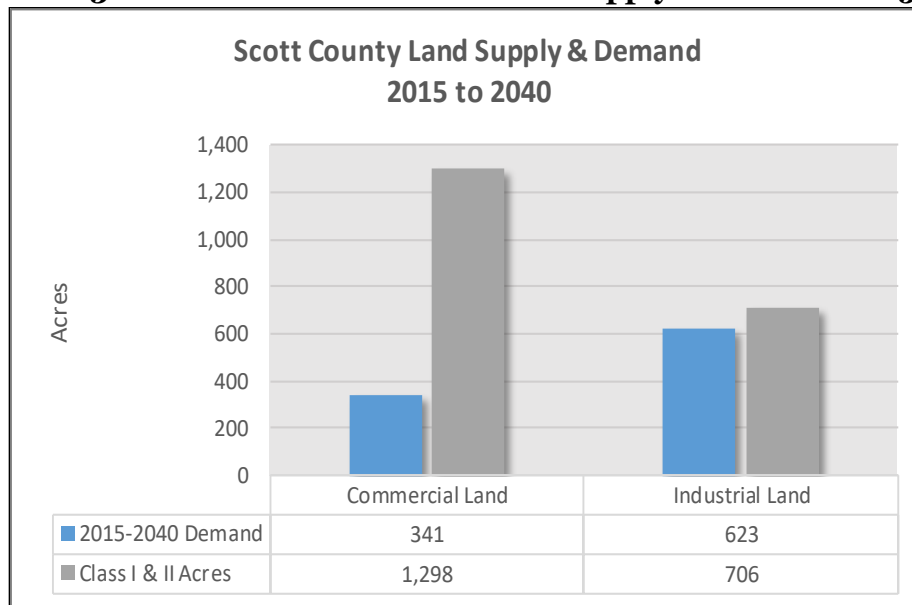
This countywide inventory of development readiness has been updated every couple of years. In 2017, the Maxfield study found that there is sufficient Class I and Class II acres of land countywide to meet the projected commercial demand to 2040 (see Figure X-23). There may be a need for additional industrial acreage to meet the projected demand, depending on the sites and amenities.

As of 2017, there was approximately 30 acres of Class 1 platted lots guided and zoned for rural commercial or industrial development in the townships (lots in Minnesota Valley Industrial Park in Jackson, Sand Creek Industrial Park in Sand Creek, and Dairy Lane industrial area in Spring Lake).

There was approximately 850 acres of developable Class III land guided and zoned for rural commercial and industrial development (primarily in Louisville and Sand Creek townships along TH 169). Much of this acreage is not served by a local road system. In addition, much of this acreage guided for commercial and industrial development contains underlying aggregate deposits – and significant Class III properties are either under permit for aggregate mining or undergoing an environmental review for eventual aggregate mining.

According to the 2017 Maxfield Study and the First Stop Shop, rural sites remain attractive for commercial and industrial users with expansive outdoor storage needs. These types of uses have difficulty locating within city limits.

Figure X-23: Commercial-Industrial Land Supply & Demand 2015-2040



Source: Scott County Commercial-Industrial Needs Update, 2017. Maxfield Research & Consulting, LLC.

E. Destination Entertainment

Scott County is home to a number of unique entertainment establishments not found anywhere else in the Twin Cities. These destinations attract people from across the metro region, out-state Minnesota, and the Upper Midwest. These attractions generate revenue for the state's tourism industry and also help support local food, hospitality and service businesses. The following collection of popular tourist attractions has helped make Scott County a major destination for entertainment:



- Valleyfair Family Amusement Park, Shakopee. Valleyfair provides employment for 80 persons year round and an additional 1,600 seasonal jobs.
- Canterbury Park, Shakopee. This is the Twin Cities only horse racing track and card club.
- Mystic Lake Casino, Shakopee Mdewakanton Sioux Community. This is the largest Native American gaming facility in Minnesota, and county's largest employer.
- Renaissance Festival, Louisville Township. Approximately 320,000 people attend the fair on weekends during its fifteen-day season in August and September.
- Elko Speedway, Elko New Market. Annual attendance is over 250,000 people for over 20 racing events.
- The Landing, Shakopee. This is a living history village of the 1800s – operated by Three Rivers Park District - provides enjoyment and education to 50,000 visitors a year.
- Scott County Fair, St. Lawrence Township. Held in late July each year, the fair has attendance ranging between 28,000 and 30,000.

RiverSouthMN is an organization developed by Canterbury Park, Mystic Lake, the Renaissance Festival and Valleyfair, to jointly promote the “Land of Big Fun” and their hotels and attractions

in Scott County. RiverSouth, along with area Chambers of Commerce help promote tourism and the destination entertainment available in Scott County.

In 2014, the County, cities, townships and tribal government undertook an exercise to model future traffic conditions under an entertainment land use scenario. The scenario imagined a future with major expansions to existing and some new retail, gaming and performance destinations in the county based on recent proposals or concepts that have come to light. These expanded or new facilities were projected to generate 2,000 to 62,000 daily trips and varied between seasonal and year-round operation. Widespread changes to county-wide congestion levels were not observed in the model as a result of the additional traffic generation. However, a small number of isolated locations did show a higher level of congestion risk, particularly along CSAH 83 as a result of casino expansion at Mystic Lake and retail development at Canterbury Park.

ECONOMIC INFORMATION, MONITORING AND STRATEGIC INITIATIVES

Scott County and its cities and townships coordinate economic development efforts with local, regional and state organizations including, but not limited to, local economic development authorities and economic development commissions, GreaterMSP, the Minnesota Department of Employment and Economic Development (DEED), nonprofits, Chambers of Commerce, and local businesses. In an effort to coordinate economic development efforts and improve the ability to respond to business requests more quickly, the First Stop Shop (FSS) was created in 2012 by the Scott County Association for Leadership and Efficiency (SCALE). FSS now operates under the umbrella of the Scott County Community Development Agency (CDA), but continues to assist with SCALE initiatives. A summary of the FSS and its programs follows.

A. First Stop Shop

The First Stop Shop (FSS) is an economic development resource for all Scott County cities and townships. Services offered include, but are not limited to, comprehensive data collection and management, site selection assistance, education and training, process improvement, research and marketing assistance, assistance with funding identification, and connections to an extensive network of resources. The First Stop Shop erases borders between jurisdictions to provide the best service possible to those who are considering Scott County for their business' location. FSS is a member of MNCAR and the GreaterMSP.

- FSS coordinates the **Economic Development Incentive Grant Program** (the “EDI Program”), which was established in March of 2014 and is funded by the Scott County CDA. The goals of the EDI Program are to facilitate the creation of jobs, increase the tax base and improve the quality of life in Scott County through two specific strategies: Corridor Readiness and Technical Planning Assistance.
- **MCCD Open To Business Program.** The Open to Business program is a collaboration between the Scott County CDA and the Metropolitan Consortium of Community Developers (MCCD). An Open to Business Advisor is available to provide one-on-one business counseling assistance customized to meet the needs of current business owners and prospective entrepreneurs. Financing is also available to qualified applicants. The Open to Business program is funded through FSS and the CDA and offered free of charge to Scott County businesses or residents.

- **Economic Gardening.** Scott County offers a national program aimed at cultivating "second stage" business to grow and thrive in our region. Scott County, in partnership with Hennepin, Ramsey, and Carver counties, the Edward Lowe Foundation, and the National Center for Economic Gardening coordinate the program. As a part of the program accepted companies participate in CEO roundtables and forums, as well as receive approximately 50 hours of directed, targeted research. All of the fees associated with the Economic Gardening program are covered by Scott County. Now it is fourth year, Scott County is part of the largest multi-county Economic Gardening program in the nation. As of 2017, the FSS will begin overseeing the program.
- **Business Incubator/Accelerator Programs** - In 2012, the City of Prior Lake launched its own business accelerator program. Technology Village began with approximately 2,000 square feet of space on the main floor of Prior Lake City Hall; including offices, a conference room, and approximately 800 square feet of open co-working/collaboration space. The offices were furnished and participants were provided resources such as internet, phone, printer/copier, and a break room. A six member Board of Directors has guided the direction of the accelerator and served as mentors to the participants. The overall management has been coordinated by city staff and the EDA.

With a 2015 Prior Lake hired a consultant, Greenwood Consulting Group, Inc., to assess the Technology Village Business Accelerator (TVBA) and provide recommendations for its future direction, including possible expansion or relocation. The study recommended the expansion of the program to a county-wide business incubator/business accelerator program. Although the report recommends a single, centralized location for a county-wide incubator, the estimated \$2.5M for development of that scenario is not currently feasible.

Moving forward, it is envisioned the current TVBA program will transition to a Scott County CDA program managed by the FSS, who will work closely with the cities who have open space available to create satellite sites where the city would cover any office/site costs (including utilities), furnish the office space and provide equipment. An agreement between the cities and the CDA for FSS program management is proposed.

B. SCALE 50 x 30 Workforce Readiness Work Group

In April 2016, SCALE established four work groups and a steering committee to accomplish a "50 by 30" initiative. The goal of the work groups is to advance a "Collective Impact Approach" to achieving 50% of the County's labor force living and working in the County by 2030. The four workforce groups established to help accomplish this goal were Housing, Workforce Readiness, Transportation and Educational Preparedness.

The Workforce Readiness work group's vision is to "Elevate each person's contribution to the community through a rich variety of local employment opportunities and career pathways." The group has been working to attract more businesses to the county; increasing the number of high value jobs; ensuring employees are healthy, prepared and have the skill sets, mind sets, and content knowledge skills to take advantage of local employment opportunities.

C. Local Government Role in Economic Development

Local governments across the nation have taken different philosophical approaches to fostering economic development. For Scott County, the overall approach to economic development is one based on efficiency, organization and preparedness. This approach is predicated on a belief that

employers are attracted to communities that: a) invest in well-planned infrastructure and services; b) develop a logical, integrated, and consistent land use plan; c) provide first-class amenities and support services; and d) focus on the importance of customer service in attracting and guiding economic development. The following is a summary of these four key components as they relate to Scott County:

1. Invest in Well-Planned Infrastructure and Services

Scott County offers excellent access to the larger Twin Cities and Upper Midwest region for commercial, industrial and office development. Interstate 35, U.S. Highway 169, State Highways 13, 21, 282, and CSAHs 42 and 18 all serve as primary routes for Scott County businesses and residents. In the 2000s, two key improvements expedited the mobility of people and commerce between Scott County and destinations throughout the Twin Cities: the I-494/TH 169 interchange improvement project and the TH 13 corridor improvement projects in Savage/Burnsville area. The majority of County road improvements have been focused on the northern part of the county, including the conversion of CSAH 21 to a four-lane rural expressway and two lanes added to CSAH 42 and CSAH 82 which will help alleviate congestion in both Shakopee and Prior Lake. Scott County is scheduled to invest millions in highway construction between 2018 and 2040. (See Chapter VI for more information on the major projects and transportation-related initiatives planned over the next 2040 planning horizon.)

Scott County owns a fiber network, maintained by Access Communications, that runs throughout the County linking all cities, schools, major government facilities, and many planned and existing business parks. County staff work closely with businesses to evaluate their fiber needs and assess options which could result in significant long term operating. The fiber ring provides an enormous capacity for communication, a highly reliable internet connection, and an opportunity to reduce or share communication costs for all public services. The high-speed, high capacity bandwidth has been an incentive to attract businesses and industries interested in partnering with the County and accessing the fiber backbone.

The County has been proactive in assuring continued urban growth and the extension of urban infrastructure beyond the 2040 planning horizon. According to the Metropolitan Council, wastewater treatment capacity for the Blue Lake regional treatment plant serving northern and western Scott County will be exhausted by 2040. To plan for post-2040 growth, the County partnered with Met Council staff and engineering consultants during the 2030 planning process to identify a site for a new regional wastewater treatment plant in the Minnesota River Valley as well as a staging plan for serving Scott County communities. The joint study also identified a service area for the new plant and looked at interim development options in the rural areas for future conversion to public sewer when urban services become available. (See Chapter V for more information on this important planning study.)

2. Develop a Logical, Integrated Land Use Plan

The primary approach of the County land use and growth management plan is to ensure that Scott County develops in an economically sustainable manner and that growth is matched with the County's ability to provide infrastructure and services. To the extent possible, the County's land use plan proposes that growth pay for the necessary

infrastructure improvements such as roads, storm water management systems, water supply and wastewater treatment.

The County's land use plan proposes to guide most commercial, industrial and office development within the cities where urban services and infrastructure investments already exist. In locations where cities have identified future commercial areas outside their jurisdictions, the County's land use plan proposes to preserve the land at low densities until urban services can be more easily extended. The plan proposes limited areas for rural commercial and industrial uses. (See Chapter V for a complete description of the County's land use and growth management plan.) The County actively reviewed and discussed land use and transportation plans with each of the cities during the course of the 2040 planning process to ensure well-integrated growth management and economic development initiatives.

3. Provide First-Class Amenities and Support Services

As the County continues to grow and develop, the cities, townships, and tribal government have all focused on maintaining a high quality of life for its residents and employers. From local survey data, residents have consistently given the county's communities high marks for quality of life factors, such as excellent schools, safe neighborhoods, and natural environments.

Over the past 25 years, communities have invested in a number of public facilities and services to accommodate residents' needs. These include schools, community and recreational facilities, civic centers, libraries, and local and regional parks and trails. In addition to the new facilities, public services have continued to expand with new technologies and in number of employees and types of services to address the needs of the growing population and businesses. The cities, townships, and County have adapted to the needs of the public and will continue to do so to ensure the best possible services are provided.

4. Focus on the Importance of Customer Service

Quality customer service leaves a great impression for businesses seeking to expand or searching for a new location. By providing accurate and up-to-date information as well as courtesy with clear and honest answers, the businesses will be given the best information they need to make a highly important decision. This type of customer service is not only given to prospective businesses. Scott County provides this quality customer service to current employers and residents as well on a wide range of issues, from researching property records to addressing employer and social service needs. The customer service reflects the type of camaraderie and high quality of life that Scott County residents have established.

ECONOMIC COMPETITIVENESS GOALS AND POLICIES

As stated at the beginning of this chapter, this element looks at economic competitiveness of the County as a whole, but also specifically calls out strategies for the 11 townships. Based on the inventory and analysis outlined above, there are a few key findings to address in the following goals and policies:

- ☐ The disconnect between the skills and talent of the local labor force, with the types of jobs located in the county

- The high percent of warehouse/distribution space in the county compared to the southwest Twin Cities metro region
- The comparatively lower wages for jobs in Scott County as compared to the Twin Cities region, but higher than regional average household incomes.
- The projected growth in retail/office space for the next few years, but leveling off after 2020 due to more on-line sales.
- The need to retain the 18-24 year olds in the local labor force – who are facing much higher levels of unemployment and underemployment than the population as a whole.

Goal #X-1 Prepare, adopt and implement an integrated land use plan that supports economic development.

- a. Promote large-scale commercial and industrial development projects to urban areas where a full range of utilities, services, transportation and other infrastructure are available.
- b. Plan for and reserve an adequate supply of accessible land for future commercial and industrial uses in planned urban growth areas, in concert with city plans, to meet projected demand.
- c. In planned rural areas, promote smaller-scale, less-intensive commercial and industrial development projects that satisfactorily accommodate storm water management, transportation and other supportive services.
- d. Minimize land use conflicts that would unduly impede commercial and industrial growth in areas planned for those uses.
- e. Allow home businesses and home extended businesses provided they are accessory to the residential use and do not impact nearby properties.

Reason: It is important to create an integrated land use plan that provides compatible uses, reduces potential conflicts, accommodates large and small business owners, and preserves land for future commercial and industrial uses in order to protect the rights of property owners, maintain a high quality of life, provide the opportunity for a diversified local economy, and reduce future infrastructure costs.

Goal #X-2 Attract, retain and expand businesses and industry to diversify the local tax base and promote local employment opportunities.

- a. Support collaborative actions with the seven cities to promote Scott County as a great place to locate large industries and job producing businesses.
- b. Partner with local chamber of commerce groups and area tourism organizations to develop a marketing plan and promotional presence for economic development opportunities in Scott County.
- c. Continue to support the First Stop Shop as a location for economic development information within Scott County, coordinating marketed commercial and

industrial properties, potential business development opportunities, incentive programs, and employment base data for all seven cities and eleven townships.

- d. Partner with educational institutions to advance job skills and promote labor retention.
- e. Promote the county's natural amenities and safe communities to attract new industries.
- f. Work with local public and private utilities to improve telecommunications, sewer, water, and other local infrastructure in planned economic development centers and corridors.
- g. Assist communities with Business Retention and Expansion visits and surveys.
- h. Explore opportunities through the University of Minnesota's Resilient Communities Program or similar student-led research programs to address items such as expanding a business incubator program.

Reason: By providing the foundation for a strong local economy, business retention will remain high and new businesses will continue to move to Scott County, generating additional employment opportunities and tax revenue.

Goal #X-3 Utilize Scott County Association for Leadership and Efficiency (SCALE) to discuss, plan for, and promote economic development and workforce readiness opportunities on a countywide scale.

- a. Identify the reasons residents are commuting to jobs outside of the county, through Business Retention and Expansion Surveys, Resident Surveys, and Employers Surveys.
- b. Target market to and work with existing employers who provide employment options which match Scott County residents' skill sets and employment experience to reduce the export of trained workers to other counties.
- c. Work with communities to plan for housing options which support all levels of workforce housing and match employment and wages within their cities and the county.
- d. Explore opportunities to offer post-secondary educational opportunities within Scott County.

Reason: SCALE has become a highly effective organization that promotes communication, collaboration, and sharing of resources between local jurisdictions. SCALE initiatives have resulted in legislative positions for County transportation needs, more efficient and cost effective snow plow routes, and a regional training facility for public safety. These efforts could also be utilized for economic development through shared promotional/marketing endeavors.

ECONOMIC COMPETITIVENESS RECOMMENDATIONS

Following are excerpts of key economic development recommendations relevant to the County and 11 townships from the *2017 Commercial/Industrial Demand Analysis for Scott County* (prepared by Maxfield Research and Consulting, LLC):

- *Retailers could capture sales from several sources, primarily area households, but also employees, people visiting the County, and daily traffic through the County. The most likely retail uses to be drawn to each submarket would be neighborhood and convenience-oriented goods and services...*

2040 Plan Recommendation: The County should adopt and map a new Hamlet Mixed Use zoning district in select unincorporated crossroads locations to accommodate neighborhood and convenience-oriented goods and services.

- *Based on historical absorption and development trends in Scott County, we anticipate that industrial demand will be strongest for bulk warehouse space, representing 52% of total industrial demand between 2015 and 2040 (3.6 million square feet).*

2040 Plan Recommendation: The County should continue to guide and zone for rural industrial uses – including warehouse uses - in the 11 townships.

- *We estimate that up to 623 acres of land will be required in Scott County to accommodate the projected demand for industrial space between 2015 and 2040. Based on SCALE data, there are currently 715 acres of Class I and Class II land available in the County to support industrial development, suggesting that there is an adequate supply of land available. However, we anticipate that industrial development will consume about 87% of the available Class I and Class II land between 2015 and 2040*

2040 Plan Recommendation: The County should continue to guide and zone for commercial reserve areas that limit rural development until urban services are available to serve the parcel's highest and best use. The County should continue to work with cities and townships to create or update orderly annexation agreements that provide more certainty for the timing and staging of Class II and III land development.